



## *2011 Budget Summary*

Budget Hearing  
7:00 p.m. December 6, 2010  
City Hall Council Chambers

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4600 Victoria Street N  
Shoreview, MN 55126  
(651) 490-4600  
[www.shoreviewmn.gov](http://www.shoreviewmn.gov)

November 2010

Dear Citizens:

In preparing our 2011 operating Budget, Five-Year Operating Plan and Capital Improvement Program, the City Council is committed to maintaining the services, programs and facilities that make Shoreview one of the premier suburban communities in the Twin Cities Metropolitan area. Accomplishing this goal is even more difficult in these economic times. Despite the obvious challenges in the last year, Shoreview has managed to:

- Balance the General Fund budget despite a \$350,000 loss of state aid (market value homestead credit)
- Upgrade the City’s bond rating to AAA, the highest rating awarded, and the second bond rating upgrade in 13 months
- Preserve quality services and programs for our residents
- Develop 5-year operating goals and strategies

As we look to the future, the City must ensure that our limited financial resources continue to be used to provide services such as police/ fire protection, maintenance/snowplowing of streets, water/sewer services, and recreational programs/facilities (including parks and trails) in an effective manner.

We hope you find the information included in this 2011 Budget Summary helpful in explaining how the City puts your tax dollars to work in our community. If you have questions about the City’s budget, please contact us at 651-490-4600.

Sandy Martin  
Mayor

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Budget Objectives

The budget and capital improvement program are developed considering resident feedback during the year, periodic community surveys, and City Council goals. Primary objectives for 2011 include:

- Balance the General Fund budget
- Address the loss of \$350,000 in state aid for 2011
- Maintain existing services and programs through efficient use of tax dollars, and within the levy limit
- Recover utility costs through user fees
- Meet debt obligations
- Replace infrastructure in a timely manner
- Continue long-term replacement planning
- Continue Five-Year Operating Plan preparation
- Protect and enhance parks, lakes and open space areas
- Position the City to effectively address future challenges and opportunities (revitalize neighborhoods, encourage reinvestment, assist redevelopment opportunities, and utilize technology to improve services and communications)

## Executive Summary

The following listing provides a summary of key information discussed in this document:

- No major service level changes for 2011 despite the loss of state aid and reduction of a Parks Admin. position
- Proposed tax levy has been reduced \$108,966 since the preliminary levy certified to Ramsey County in September
- Total tax levy increases 3.8%
- Tax collected from property owners increases 3.5%
- Total taxable property value drops 6.3%
- Tax rate increases 10.7%
- City receives approximately 22% of the property taxes paid by all property owners in 2011; other taxing jurisdictions collect the remainder of property taxes
- City share of the tax bill ranks 5th lowest among comparison cities in 2010 (27% below the average)
- Levy per \$1,000 of market value is near levels from the 1980s (\$3.16 in 2011 compared to \$3.20 in 1989)
- Market value homestead credits granted to homeowners will reduce property tax collections an estimated \$350,000 for 2011, as compared to \$321,261 for 2010. The entire tax reduction occurs in the City's General fund.
- Each City property tax dollar is used as follows:
  - 28 cents for public safety
  - 21 cents for replacement costs
  - 20 cents for parks, recreation and maintenance
  - 10 cents for general government
  - 8 cents for public works
  - 8 cents for debt service
  - 5 cents for all other costs
- General fund spending increases 1.9%
- Nearly 80% of home values decline for 2011 taxes
- Limited market values were phased out in 2010
- The change in individual property tax bills varies depending on the change in property value

## Budget Process

The entire budget process covers nine months from initial budget requests to preparation of the final budget document. Major steps in the process include:

- May—Departments prepare budget requests and 5-year projections considering:
  - New regulations
  - Rising supply costs (fuel and energy for example)
  - Reductions or enhancements to services
  - Changes in approach (where new technologies may improve efficiency)
  - Expected revenue changes (reduced permit revenue)
  - Council goals and anticipated capital projects
  - Opportunities for reorganization of duties
- June/July—City Manager and Finance Director review budget requests, analyze impacts on levies and user fees, and develop a preliminary five-year operating plan
- August—Council reviews preliminary budget, tax levy, five-year operating plan, CIP, and community benchmark data
- September—Council adopts preliminary tax levy (in support of the operating and capital budget)
- September 15—Staff certifies preliminary tax levy to County (per Minnesota law)
- October—State of Minnesota releases levy limit
- October/November—City Council and staff continue budget and CIP review, and Council-directed changes are incorporated (in preparation for the budget hearing)
- November—Ramsey County mails estimated tax statements (using preliminary levies for all taxing jurisdictions)
- December 6—Council holds budget hearing
- December 20—Council adopts budget, tax levy, CIP and utility rates
- December—Staff certifies levy and budget to State of Minnesota and Ramsey County
- January—Staff distributes final budget documents

## Proposed Tax Levy

The table below provides a two-year comparison of tax levy collections (after the loss of MVHC), the fiscal disparities contribution, taxable values and City tax rates. The proposed tax levy is \$108,966 lower than the preliminary levy certified to Ramsey County in September due to reductions by the City Council.

- Fiscal disparities contribution (the portion of Shoreview's tax paid by the metro-area pool) increases 4.1%
- Taxes collected from property owners increase 3.5%
- Taxable values decrease 6.3% (to \$27.8 million for 2011) primarily due to a decline in residential values
- Tax rate increases 10.8% due to the combined impact of changes in the levy and decreasing taxable values

	2010 Adopted Levy	2011 Proposed Levy	Change	
			Dollars	Percent
General fund	\$ 6,230,000	\$ 6,345,734	\$ 115,734	1.9%
EDA fund	-	25,000	25,000	
Debt funds	565,000	527,000	(38,000)	-6.7%
Central Garage fund (debt)	-	98,000	98,000	
Street Renewal fund	700,000	750,000	50,000	7.1%
General Asset Repl. fund	1,100,000	1,150,000	50,000	4.5%
Capital Imprv. fund	90,000	100,000	10,000	11.1%
Total tax collections	\$ 8,685,000	\$ 8,995,734	\$ 310,734	3.6%
Fiscal disparities contribution	(832,802)	(866,880)	(34,078)	4.1%
Total tax collections from property owners	\$ 7,852,198	\$ 8,128,854	\$ 276,656	3.5%
Taxable value (millions)	\$ 29.643	\$ 27.764	\$ (1.879)	-6.3%
Tax rate	27.569	30.540	2.971	10.8%
Market value credit loss	\$ 321,261	\$ 350,000	\$ 28,739	8.9%

To put the change in Shoreview's levy into perspective, the total tax levy rises less than the cuts in state aid. Shoreview will lose about \$350,000 in MVHC for 2011.

Early in 2009 Shoreview amended the 2009 budget to address the full loss of state aids. Each year since, the budget has addressed the added reductions to the City's tax levy collections caused by MVHC. This happens because a portion of the adopted levy is lost to credits provided by the State of Minnesota to property owners, and not remitted to the City. The full \$350,000 loss of 2011 MVHC occurs in the General Fund (the primary operating fund of the City).

Shoreview's proposed 2011 tax levy will result in property tax collections of \$8,995,734, after reductions for MVHC. This is \$310,734 higher than taxes collected for 2010. Below is a brief listing of the items causing the levy increase:

Public safety contracts (police and fire)	\$ 115,322
Debt payments	60,000
Capital replacements	100,000
Economic Development Authority (EDA)	25,000
Capital improvements	10,000
All other changes combined (net)	<u>412</u>
Increase in Total Tax Collections	\$ 310,734

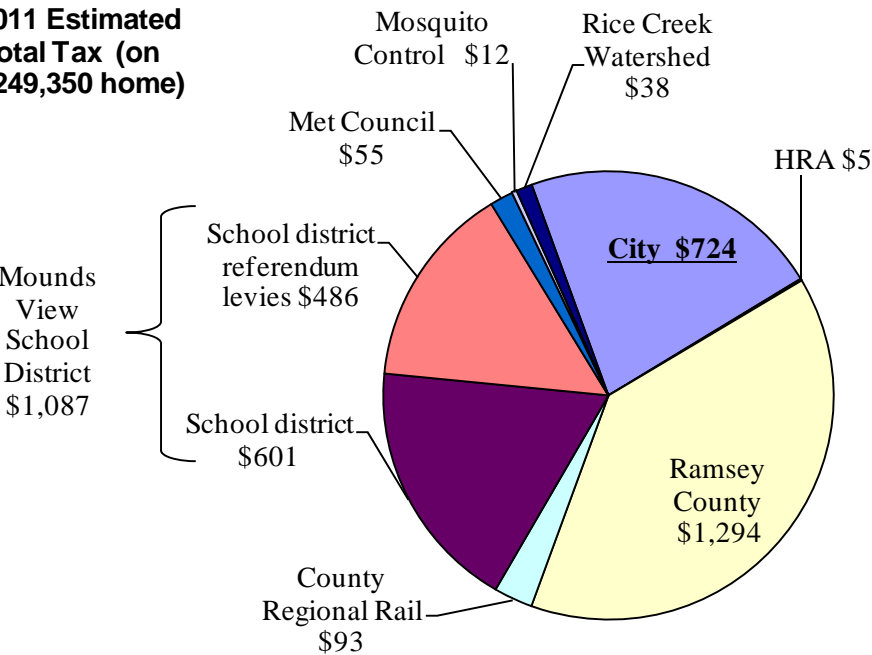
The last line in the table above accounts for the reduction of one staff position, revisions to permit revenues, declining interest revenue, a 1% wage adjustment for staff members at step 6, an increase in the health insurance contribution, and other miscellaneous changes. The combined impact of all of these items is a \$412 increase in the levy.

Distribution of Property Tax Bill

About 22% of the total property tax bill goes to Shoreview. For 2011, the total tax bill on a \$249,350 Shoreview home that is also located in the Mounds View School District is about \$3,308, and Shoreview’s share is \$724 (\$762 of tax, less \$38 for the allocated share of market value homestead credit).

The pie chart below shows the total tax bill by jurisdiction (using preliminary tax rates). The Mounds View school district share is shown in two segments because referendum levies are distributed differently (using market values rather than taxable values).

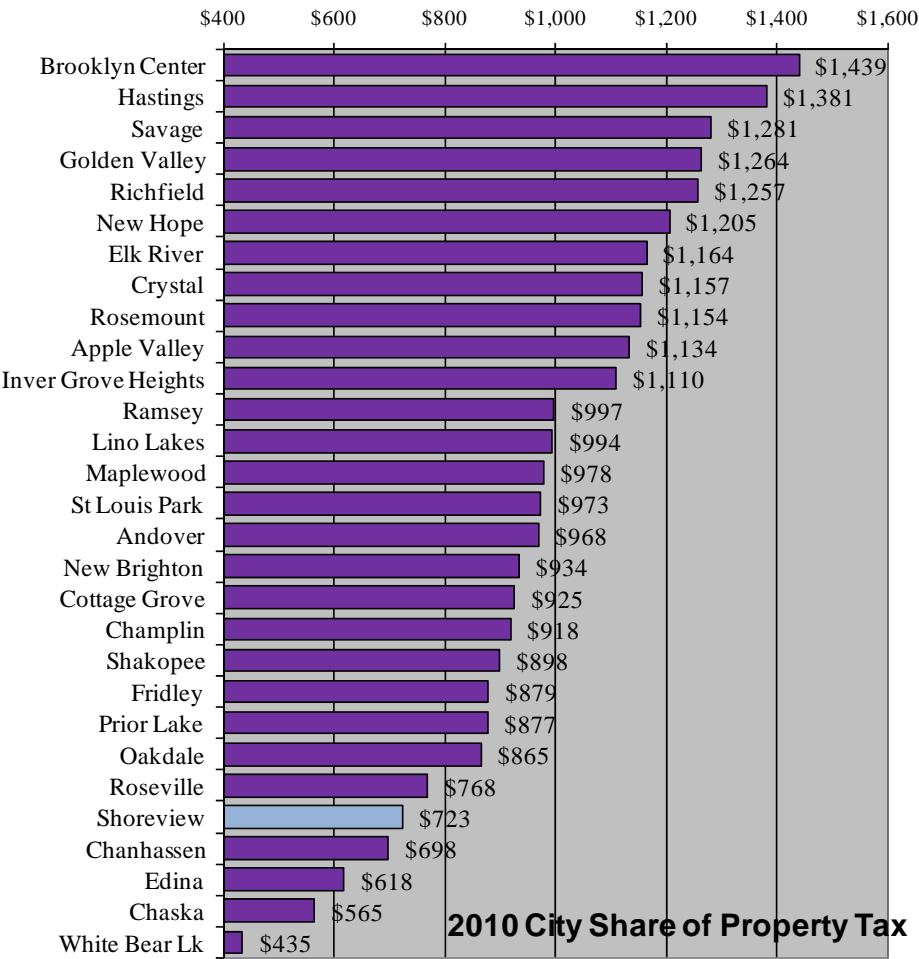
2011 Estimated  
Total Tax (on  
\$249,350 home)



For comparison purposes, the Roseville school district tax on a median home is \$849 (\$491 for referendum levies and \$358 for the regular levy), as compared to \$1,087 in the Mounds View district.

Property Tax Comparison

The graph below compares the 2010 City portion of the property tax bill for Shoreview and 28 other metro-area cities. All estimates are for a \$262,200 home value (Shoreview’s median value). Shoreview ranks 5th lowest, and is about 27% lower than the average of \$985. Note: These estimates do not include the allocation of market value homestead credits for 2010 because allocation of the credit varies from city to city. The 2010 credit on a median Shoreview home is \$34 (for a net 2010 City tax of \$689).



2010 City Share of Property Tax

Over time, Shoreview's ranking in comparison to metro-area cities has changed. The table below presents data comparing the City portion of Shoreview tax bills to 28 metro-area cities for the years 2001 through 2010 (using Shoreview's median home value in each year). The allocated share of market value credits are not considered because the allocation varies from city to city.

Shoreview's deviation from the average is about where it was in 2001 (10 years ago). For instance:

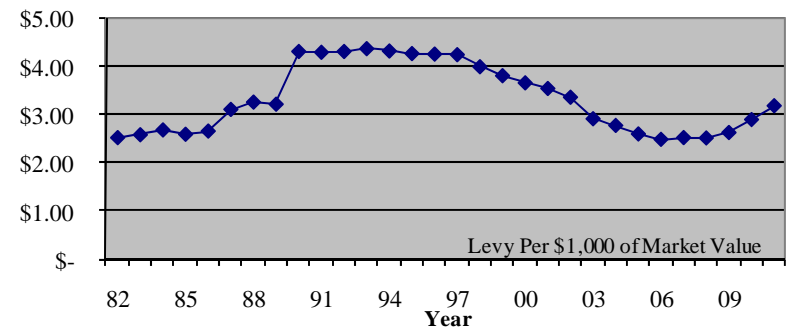
- In 2001 Shoreview's share of the property tax bill on a median home was \$387, compared to an average of \$523 for comparison cities. That put Shoreview 26% lower than the average (\$136 per year lower).
- In 2010 Shoreview's share of the property tax bill on a median home is \$723, compared to an average of \$985 for comparison cities. That puts Shoreview 26.6% lower than the average (\$262 per year lower).

Year	Average City Tax		Shoreview City Tax		Shoreview City Tax to Average	
	Dollars	Percent	Dollars	Percent	Dollars	Percent
2001	\$ 523	\$ 387	\$ (136)	-26.0%		
2002	\$ 707	\$ 512	\$ (195)	-27.6%		
2003	\$ 697	\$ 525	\$ (172)	-24.7%		
2004	\$ 778	\$ 561	\$ (217)	-27.9%		
2005	\$ 818	\$ 574	\$ (244)	-29.8%		
2006	\$ 847	\$ 580	\$ (267)	-31.5%		
2007	\$ 877	\$ 600	\$ (277)	-31.6%		
2008	\$ 967	\$ 669	\$ (298)	-30.8%		
2009	\$ 976	\$ 693	\$ (284)	-29.0%		
2010	\$ 985	\$ 723	\$ (262)	-26.6%		

## Ratio of Levy to Market Value

Comparing the tax levy to market value over the long-term is useful because the gross tax levy provides the best measure of tax-related spending, and the market value represents the property served by City services. Shoreview's levy in relation to market value declined sharply since the 1990s, and in recent years is beginning to trend back upward. For instance, the levy per \$1,000 of value in 2011 is 69-cents higher than it was in 2006, yet remains \$1.11 lower than it was in 1991.

Year	Market Value	Net Tax Levy	Tax Per \$1,000 of Value
1986	\$ 645,179,400	\$1,704,095	\$ 2.64
1991	\$ 975,717,700	\$4,166,301	\$ 4.27
1996	\$1,159,010,300	\$4,905,386	\$ 4.23
2001	\$1,598,162,700	\$5,628,622	\$ 3.52
2006	\$2,844,890,400	\$7,027,992	\$ 2.47
2011	\$2,844,655,500	\$8,995,734	\$ 3.16



The graph above shows this relationship for all years since 1982. From the mid-1990s through 2006 Shoreview's levy per \$1,000 of market value declined dramatically, meaning property values grew faster than the tax levy. The large increase in 1990 was the combined result of the park bond referendum and the loss of \$1 million in state aid.

## City Property Tax by Program

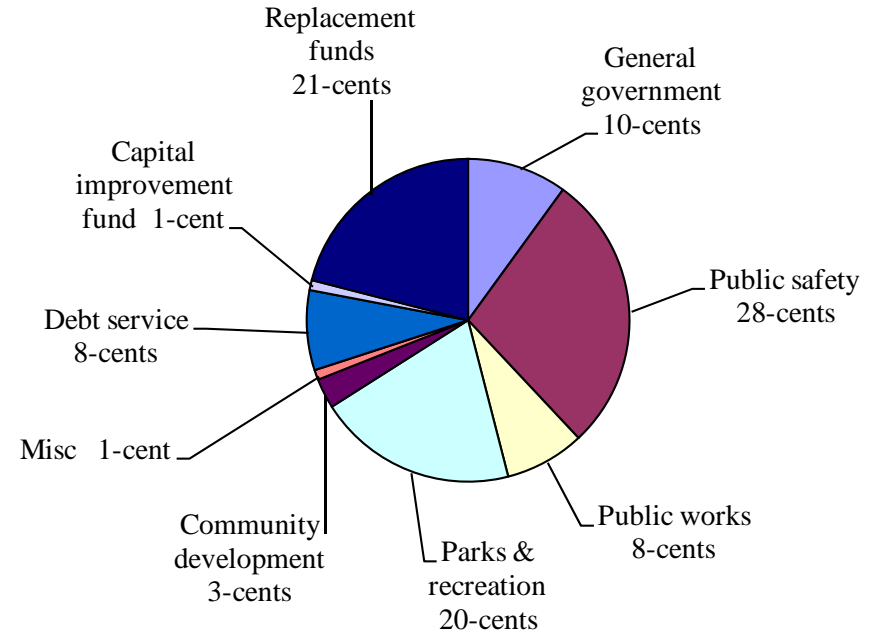
Shoreview's median home will pay about \$35 more in City property taxes in 2011 (assuming a 4.9% decrease in value). Because property taxes support a variety of City programs and services, the table below is presented to show tax support by program (on an annual basis).

The largest increase in cost by service is for public safety, followed by replacement funds, debt payments and public works.

Program	2010 City Tax \$262,200 Home	2011 City Tax \$249,350 Home	Change Dollars
General government	\$ 70.81	\$ 69.10	\$ (1.71)
Public safety	188.20	201.01	12.81
Public works	52.76	57.96	5.20
Parks & recreation:			
Park admin & maint	122.27	122.35	0.08
Community center operation	18.25	18.23	(0.02)
Recreation programs	6.34	6.01	(0.33)
Community development	21.42	23.44	2.02
Miscellaneous	6.06	6.29	0.23
Debt service:			
Fire station impr. debt	11.50	11.65	0.15
Street rehabilitation debt	18.39	18.67	0.28
Maintenance center debt	-	7.89	7.89
All other debt payments	22.87	20.11	(2.76)
Capital improvement fund	7.16	8.03	0.87
Replacement funds	142.79	152.82	10.03
Total City Taxes	\$ 688.82	\$ 723.56	\$34.74

The chart below illustrates (in a pie chart format) how the City will spend each tax dollar it receives in 2011, with the largest share going to public safety:

- 28 cents for public safety
- 21 cents for replacement funds
- 20 cents for parks and recreation (including maintenance)
- 10 cents for general government
- 8 cents for public works
- 8 cents for debt service
- 3 cents for community development
- 1 cent for capital improvements
- 1 cent for all miscellaneous combined



## All Operating Funds Combined

Shoreview prepares an annual budget and five-year projections for all operating and debt service funds. The table at right summarizes the 2011 proposed budget in comparison to the original 2010 budget and revised estimates, and to actual revenue and expense for 2009, for the following funds:

- General fund
- Special Revenue funds
  - Recycling
  - Community Center
  - Recreation Programs
  - Cable Television
  - Economic Development Authority (and HRA)
  - Slice of Shoreview
- Debt funds
- Enterprise funds
  - Water
  - Sewer
  - Surface Water Management
  - Street Lighting
- Internal Service funds

The above list, and the table on the facing page includes funds that receive tax dollars as well as funds that receive no tax support. The table does not include the City's capital project funds, because these costs are planned for as part of the 5-year capital improvement program, and the funds are not considered operating funds.

Total operating and debt service costs for all funds (excluding transfers between funds) are expected to increase 1.2% for 2011. The anticipated decrease in fund equity for 2010 is primarily the result of accelerated debt service payments for a planned debt refunding and anticipated utility fund losses.

	2009	2010		2011
	Actual	Budget	Revised Estimate	Budget
<b>Revenue</b>				
Property taxes	\$ 6,511,150	\$ 6,845,000	\$ 6,841,035	\$ 7,055,734
Special assessments	210,596	126,186	123,076	144,311
Licenses and permits	368,878	285,600	290,450	281,150
Intergovernmental	240,869	234,452	235,249	235,602
Charges for services	5,127,808	4,988,810	5,147,255	5,271,261
Fines and forfeits	55,582	47,000	41,000	42,500
Utility charges	6,501,275	6,671,779	6,368,100	7,177,300
Central garage charges	939,716	1,034,135	1,034,717	1,109,816
Interest earnings	208,451	322,000	248,750	232,550
Miscellaneous	104,216	63,140	80,056	72,942
General fixed assets	60,749	30,000	30,000	30,000
Interfund transfers	1,561,872	1,604,935	1,595,505	1,773,600
Debt proceeds	2,819	200,000	4,000	-
Total Revenue	\$ 21,893,981	\$ 22,453,037	\$ 22,039,193	\$ 23,426,766
<b>Expense</b>				
General government	\$ 1,929,706	\$ 2,075,641	\$ 2,146,227	\$ 2,126,077
Public safety	2,383,720	2,461,436	2,446,355	2,573,947
Public works	1,710,265	1,735,579	1,718,376	1,819,210
Parks and recreation	4,772,691	5,049,879	5,026,202	5,137,307
Community developmen	587,167	646,999	628,834	625,265
Utility operations	5,041,185	5,269,126	5,221,789	5,328,684
Central garage	569,884	595,752	510,421	562,782
Miscellaneous	243,903	176,662	159,780	165,309
Debt service	1,925,191	2,191,562	2,518,853	1,795,013
Depreciation	1,284,632	1,489,000	1,533,500	1,810,200
Interfund transfers	805,214	846,935	898,005	1,145,700
Total Expense	\$ 21,253,558	\$ 22,538,571	\$ 22,808,342	\$ 23,089,494
Net Change	\$ 640,423	\$ (85,534)	\$ (769,149)	\$ 337,272



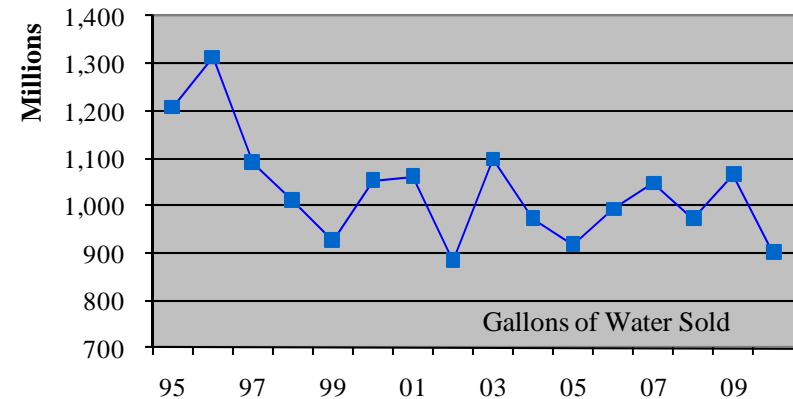
## Utility Funds

The City operates four utility funds. These funds account for services that are supported primarily through quarterly utility fees designed to cover operating costs, debt service, depreciation expense and replacement costs. The table below shows the proposed 2011 budget for each of these funds.

	Water	Sewer	Surface Water	Street Lighting	Total Utility Budget
<b>Revenue</b>					
User charges	\$2,265,500	\$3,535,700	\$1,013,300	\$363,500	\$7,178,000
Interest earnings	62,100	36,000	24,000	3,000	125,100
<b>Total Revenue</b>	<b>\$2,327,600</b>	<b>\$3,571,700</b>	<b>\$1,037,300</b>	<b>\$366,500</b>	<b>\$7,303,100</b>
<b>Expense</b>					
Operations	\$1,410,212	\$1,237,558	\$674,991	\$241,923	\$3,564,684
Sewage treatment	-	1,764,000	-	-	1,764,000
Debt service	191,700	64,950	91,700	-	348,350
Depreciation	605,200	305,000	208,000	46,000	1,164,200
Interfund transfers	228,800	190,800	97,000	12,600	529,200
<b>Total Expense</b>	<b>\$2,435,912</b>	<b>\$3,562,308</b>	<b>\$1,071,691</b>	<b>\$300,523</b>	<b>\$7,370,434</b>
<b>Net Change</b>	<b>\$ (108,312)</b>	<b>\$ 9,392</b>	<b>\$ (34,391)</b>	<b>\$ 65,977</b>	<b>\$ (67,334)</b>

Residential water consumption has declined in recent years, due in part to changing demographics (age and number of residents per home), changing usage patterns (lower household use), and changing weather patterns (fewer gallons used for summer watering except during periods of drought). The decline in consumption can cause a drop in water revenues, despite an increase in rates. For instance, 2010 water revenue is about 16% less than in 2009, despite a 6% increase in water rates and new water meters.

The graph below demonstrates the downward trend for total water consumption, by showing total gallons of water sold each year since 1995. Weather (periods of drought or heavy rain) is generally viewed as the cause for fluctuations in gallons of water sold.



Periods of lower consumption mean that the City maintains and operates the water system with less opportunity to recover costs because fewer gallons are sold to customers. The budget information presented at left for the City's utility funds shows that utility fund losses are anticipated for 2011. The City had planned to adjust rates gradually over the next 3 years to close this gap, however more rapid rate adjustments are being considered due to the substantial losses projected for 2011. Specific items impacting the bottom line for utility operations include: depreciation of existing assets, water meter replacement program, sewer televising, sewage treatment costs, street light repairs, and energy costs.

More information about the City's utility funds is available in a separate document devoted entirely to utility operations.

## Internal Service Funds

The City operates three internal service funds, as follows:

- Central Garage accounts for operation and maintenance of vehicles, heavy machinery, miscellaneous equipment and the maintenance facility. The primary source of revenue is inter-fund equipment and building charges designed to recover operating expense and debt payments, and to provide an allowance for future replacement costs.
- Short-term Disability is a self-insurance fund that accounts for premiums charged for short-term disability coverage and expense associated with disability claims.
- Liability Claims accounts for dividends received annually from the League of Minnesota Cities Insurance Trust for the City's liability insurance coverage as well as losses not covered by the City's insurance (due to deductibles).

	Central Garage	Short-term Disability	Liability Claims	Total Internal Service
Revenue				
Property taxes	\$ 98,000	\$ -	\$ -	\$ 98,000
Interfund charges	1,109,816	7,500	-	1,117,316
Interest earnings	16,000	1,000	2,800	19,800
Miscellaneous	30,000	-	20,000	50,000
Interfund transfers	180,600	-	-	180,600
Total Revenue	\$ 1,434,416	\$ 8,500	\$ 22,800	\$ 1,465,716
Expense				
Central garage	\$ 562,782	\$ -	\$ -	\$ 562,782
Miscellaneous	-	8,000	30,000	38,000
Debt service	248,335	-	-	248,335
Depreciation	646,000	-	-	646,000
Interfund transfers	14,500	-	-	14,500
Total Expense	\$ 1,471,617	\$ 8,000	\$ 30,000	\$ 1,509,617
Net Change	\$ (37,201)	\$ 500	\$ (7,200)	\$ (43,901)

## Debt Service Funds

The table below provides a summary of revenue and expense for debt service funds. Revenue derived from the debt levy and special assessments provides about 56% of the funding needed for annual principal and interest payments in 2011. These revenues are legally restricted to the payment of the debt, and therefore are held within the corresponding debt fund until the debt issue is paid in full. The remainder of funding for debt payments is provided by internal sources (in the form of transfers from other funds), interest earnings, tax increment collections, etc.

	G.O. Bonds & Capital Lease	TIF Bonds	G.O. Improvement Bonds	Total Debt Funds
Revenue				
Property taxes	\$ 377,000	\$ -	\$ 150,000	\$ 527,000
Special assessments	1,177	-	143,134	144,311
Interest earnings	11,500	-	5,250	16,750
Interfund transfers	445,000	425,000	-	870,000
Total Revenue	\$ 834,677	\$ 425,000	\$ 298,384	\$ 1,558,061
Expense				
Debt service	\$ 455,006	\$ 424,261	\$ 319,061	\$ 1,198,328
Total Expense	\$ 455,006	\$ 424,261	\$ 319,061	\$ 1,198,328
Net Change	\$ 379,671	\$ 739	\$ (20,677)	\$ 359,733

The increase in fund balance for the G.O. Bonds and Capital Lease funds is due to the impact of a planned debt refunding and changes in debt service timing (a corresponding decrease occurred in 2010). The decrease in fund balance for G.O. Improvement debt is due to the use of fund balances that have been accumulated and held for the payment of debt.

## Special Revenue Funds

The City operates six special revenue funds, as follows:

- Recycling accounts for the bi-weekly curbside program.
- Community Center accounts for operation/maintenance of the facility. Admissions/memberships provide about 73% of revenue, while rentals, concessions and other fees provide 26%. Inter-fund transfers include \$227,000 from the General fund (to keep membership rates affordable and offset free or reduced room rental rates for community groups), and \$70,000 from the Recreation Programs fund for building use.
- Recreation Programs accounts for fee-based recreational and social programs, and receives \$75,000 from the General fund for playground and general program costs.
- Cable Television accounts for cable communications via local access Channel 16 (through North Suburban Communications Commission). The primary revenue is cable franchise fees.

	Recycling	Community Center	Recreation Programs	Cable Television
Revenue				
Intergovernmental	\$ 60,000	\$ -	\$ -	\$ -
User charges	403,500	2,209,820	1,228,001	270,000
Interest earnings	-	12,900	5,000	3,000
Miscellaneous	-	-	-	2,000
Interfund transfers	-	297,000	75,000	-
Total Revenue	\$ 463,500	\$ 2,519,720	\$ 1,308,001	\$ 275,000
Expense				
General government	-	-	-	285,211
Public works	443,173	-	-	-
Parks and recreation	-	2,373,809	1,205,803	-
Interfund transfers	-	100,000	70,000	20,000
Total Expense	\$ 443,173	\$ 2,473,809	\$ 1,275,803	\$ 305,211
Net Change	\$ 20,327	\$ 45,911	\$ 32,198	\$ (30,211)

- Economic Development Authority accounts for the newly formed EDA/HRA. Economic development goals include preserving housing stock, maintaining quality neighborhoods, retaining key businesses, and redevelopment of industrial properties in an effort to strengthen the City's tax base.
- Slice of Shoreview accounts for donations, sponsorships, revenues and expenses associated with the Slice of Shoreview event. The General fund provides \$10,000 in support to help defray costs of the event.

	Econ Devel Authority EDA	HRA	Slice of Shoreview	Total Special Revenue
Revenue				
Property taxes	\$ 25,000	\$ 60,000	\$ -	\$ 85,000
Intergovernmental	-	-	-	60,000
User charges	-	-	\$ 20,000	4,131,321
Interest earnings	-	-	-	20,900
Miscellaneous	-	-	24,000	26,000
Interfund transfers	-	-	10,000	382,000
Total Revenue	\$ 25,000	\$ 60,000	\$ 54,000	\$ 4,705,221
Expense				
General government	-	-	50,000	335,211
Public works	-	-	-	443,173
Parks and recreation	-	-	-	3,579,612
Community devel	18,240	50,211	-	68,451
Interfund transfers	-	-	-	190,000
Total Expense	\$ 18,240	\$ 50,211	\$ 50,000	\$ 4,616,447
Net Change	\$ 6,760	\$ 9,789	\$ 4,000	\$ 88,774

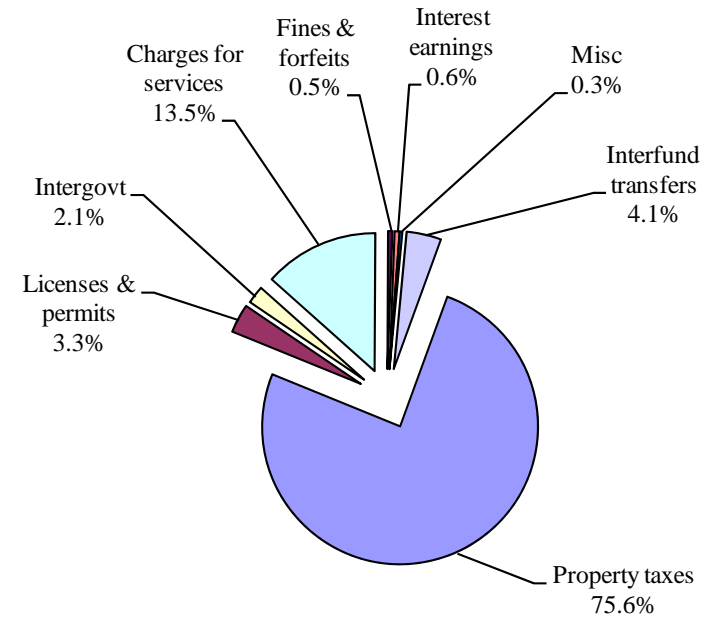
## General Fund

The General Fund is the City's primary operating fund. As such, it accounts for costs associated with basic government activities not already accounted for elsewhere, including: police and fire, street maintenance and snow plowing, community development, park and trail maintenance, city hall operations, and general government services.

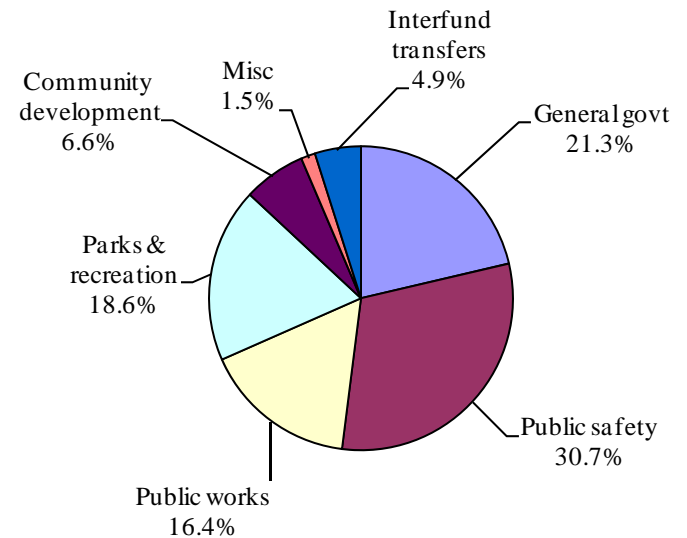
Property taxes represent 75.6% of General Fund revenue for 2011. General Fund expense increases 1.9% (see page 7 for detailed changes in the tax levy).

	2009 Actual	2010 Budget	2011 Proposed Budget	Increase (Decrease)	Percent Change
<b>Revenue</b>					
Property taxes	\$5,963,199	\$6,230,000	\$6,345,734	\$ 115,734	1.9%
Licenses and permits	368,878	285,600	281,150	(4,450)	-1.6%
Intergovernmental	181,321	175,452	175,602	150	0.1%
Charges for services	1,257,045	1,091,160	1,132,240	41,080	3.8%
Fines and forfeits	55,582	47,000	42,500	(4,500)	-9.6%
Interest earnings	47,381	70,000	50,000	(20,000)	-28.6%
Miscellaneous	27,289	26,940	26,442	(498)	-1.8%
Interfund transfers	273,000	312,000	341,000	29,000	9.3%
<b>Total Revenue</b>	<b>\$8,173,695</b>	<b>\$8,238,152</b>	<b>\$8,394,668</b>	<b>\$ 156,516</b>	<b>1.9%</b>
<b>Expense</b>					
General government	\$1,614,834	\$1,766,425	\$1,790,866	\$ 24,441	1.4%
Public safety	2,383,720	2,461,436	2,573,947	112,511	4.6%
Public works	1,296,285	1,307,766	1,376,037	68,271	5.2%
Parks and recreation	1,499,148	1,581,864	1,557,695	(24,169)	-1.5%
Community development	558,629	571,999	556,814	(15,185)	-2.7%
Miscellaneous	145,689	123,662	127,309	3,647	2.9%
Interfund transfers	415,344	425,000	412,000	(13,000)	-3.1%
<b>Total Expense</b>	<b>\$7,913,649</b>	<b>\$8,238,152</b>	<b>\$8,394,668</b>	<b>\$ 156,516</b>	<b>1.9%</b>
<b>Net Change</b>	<b>\$ 260,046</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

2011 General Fund Revenue



2011 General Fund Expense



## What does this mean to my taxes?

Minnesota's property tax system uses market value to distribute tax burden (adopted levies) among property served.

**Market Value Changes**—Per the Ramsey County Assessor, nearly 21% of Shoreview homes will remain at the same value for 2011 taxes, 19 homes will increase in value, and the remaining homes will decrease in value.

Single-family Homes		
Change in Value	Number of Homes	Percent of Total
Increase in value	19	0.2%
No change	1,961	20.8%
Decrease .1% to 5%	2,783	29.5%
Decrease 5% to 10%	2,258	23.9%
Decrease 10% to 15%	1,423	15.1%
Decrease 15% to 20%	554	5.9%
Decrease 20% or more	437	4.6%
Total Homes	9,435	100.0%

Despite these reductions in value, property taxes will likely increase for many property owners (because levies are distributed to property owners based on value).

**Change in City Tax**—The table below shows how changes in value impact the City share of the tax bill for a median value Shoreview home (including the City's allocated share of MVHC). Each line assumes a different change in market value. For instance, a median home with a 4.9% decrease in value pays \$35 more, while a median home with no change in value will pay \$73 more per year (last line). A median home with an 8.9% drop in value pays the same City tax in both years (first line).

Market Value			City Tax		Change in Tax	
2010	2011	Change in Value	2010	2011	Dollars	Percent
\$273,850	\$249,350	-8.9%	\$ 724	\$ 724	\$ -	0.0%
265,974	249,350	-6.3%	\$ 700	\$ 724	\$ 24	3.4%
262,200	249,350	-4.9%	\$ 689	\$ 724	\$ 35	5.1%
255,744	249,350	-2.5%	\$ 670	\$ 724	\$ 54	8.1%
249,350	249,350	0.0%	\$ 651	\$ 724	\$ 73	11.2%

**Change in Total Tax**—The next table shows the same information for the total property tax bill (all jurisdictions).

Market Value			Total Tax		Change in Tax	
2010	2011	Change in Value	2010	2011	Dollars	Percent
\$273,850	\$249,350	-8.9%	\$3,417	\$3,308	\$ (109)	-3.2%
265,974	249,350	-6.3%	\$3,308	\$3,308	\$ -	0.0%
262,200	249,350	-4.9%	\$3,256	\$3,308	\$ 52	1.6%
255,744	249,350	-2.5%	\$3,167	\$3,308	\$ 141	4.5%
249,350	249,350	0.0%	\$3,078	\$3,308	\$ 230	7.5%

**Tax Change for Various Home Values**—The table below shows the anticipated change in the City share of the tax bill for homes of differing values (assuming a 4.9% drop in each home value). City taxes are expected to increase between \$20 and \$79 per year, depending on the value of the home (with higher increases for higher valued homes).

Market Value		City Tax		Change in City Tax	
Pay 2010	Pay 2011	Pay 2010	Pay 2011	Dollars	Percent
\$ 157,729	\$ 150,000	\$ 377	\$ 397	\$ 20	5.3%
210,305	200,000	\$ 534	\$ 561	\$ 27	5.1%
262,200	249,350	\$ 689	\$ 724	\$ 35	5.1%
315,457	300,000	\$ 848	\$ 890	\$ 42	5.0%
368,034	350,000	\$ 1,004	\$ 1,054	\$ 50	5.0%
420,610	400,000	\$ 1,160	\$ 1,218	\$ 58	5.0%
525,762	500,000	\$ 1,467	\$ 1,527	\$ 60	4.1%
630,915	600,000	\$ 1,830	\$ 1,909	\$ 79	4.3%

More information about property taxes is available on the Ramsey County website ([co.ramsey.mn.us/home/index](http://co.ramsey.mn.us/home/index)).

(Note: The tax estimates provided on these pages are based on preliminary 2011 tax rates as provided by Ramsey County, and include Shoreview's revisions to the preliminary levy).

## Statistical Facts

Date of incorporation.....	1957
Form of government.....	Statutory plan B, Council/Manager
Population (source: Planning department, 2009).....	26,322
Area of City.....	12.2 square miles, or 8,108 acres
Land Use:	
Residential .....	39.9%
Commercial .....	1.7%
Industrial .....	2.6%
Institutional .....	3.9%
Regional open space .....	15.3%
Streets/lake.....	31.3%
City parks.....	2.6%
Vacant.....	2.7%
Major Employers (number of employees):	
Deluxe Corporation, forms and check printing .....	1,100
Medtronic, biomedical device manufacturer .....	1,000
Wells Fargo, banking services .....	614
Empi Inc., biomedical manufacturing .....	410
Target Corporation, discount retail .....	375
TSI, Inc., electronics manufacturer .....	327
Taylor Corporation .....	190
City of Shoreview (full-time equivalents/all staff) ...	133
Par Systems, robotics systems .....	115
Rainbow Foods.....	96
Kozlak's Royal Oak Restaurant .....	55
City of Shoreview (full-time staff).....	79
Police protection .....	Ramsey County Sheriff
Police calls in 2009.....	6,441

Fire protection .....	Lake Johanna Fire Department
Fire calls in 2009.....	306
Parks and playgrounds .....	10
Parks acreage .....	268
Park buildings .....	8
Picnic shelters .....	6
Recreation program users .....	17,997
Community center users .....	507,951
Buildings:	
Community center and city hall.....	111,000 square feet
Maintenance center.....	55,000 square feet
Trail and sidewalk miles.....	55
Street miles .....	88
Water system:	
Hydrants.....	1,318
Wells .....	6
Water towers, 1.5 million gallons each .....	2
Underground water reservoir, 1 million gallons.....	1
Water mains .....	103 miles
Sanitary sewer system:	
Sanitary sewer mains .....	108 miles
Sanitary sewer lift stations .....	17
Surface water management system:	
Storm water lift stations .....	5
Storm ponds .....	200
Street lights .....	707

City Directory

City Council

Sandy Martin, Mayor  
sandymartin444@comcast.net .....(651) 490-4618



Blake Huffman  
blakehuffman@comcast.net .....(651) 484-6703

Terry Quigley  
tquigley@q.com .....(651) 484-5418

Ady Wickstrom  
ady@adywickstrom.com .....(651) 780-5245

Ben Withhart  
benwithhart@yahoo.com .....(651) 481-1040

City Staff

Terry Schwerm, City Manager  
tschwerm@shoreviewmn.gov .....(651) 490-4611

Jeanne Haapala, Finance Director  
jhaapala@shoreviewmn.gov .....(651) 490-4621

Tom Simonson, Assistant City Manager/  
Community Development Director  
tsimonson@shoreviewmn.gov .....(651) 490-4612

Jerry Haffeman, Parks & Recreation Director  
jhaffeman@shoreviewmn.gov .....(651) 490-4751

Mark Maloney, Public Works Director  
mmaloney@shoreviewmn.gov .....(651) 490-4651

**Public Safety** .....In an emergency, dial 911  
Ramsey County Sheriff, non-emergency.....(651) 484-3366

Lake Johanna Fire Dept, non-emergency.....(651) 481-7024